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District Counsel

IN THE UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF CALIFORNIA
FRESNO DIVISION

In re

TULARE LOCAL HEALTHCARE
DISTRICT, dba TULARE
REGIONAL MEDICAL CENTER,

Debtor

Tax ID #: 94-6002897
Address: 869 N. Cherry St.
Tulare, CA 93274

CASE NO. 17-13797

Chapter 9

DC No.: WW-5

Date: N/A

| Time: N/A

Place: 2500 Tulare Street
Fresno, CA 93721
Courtroom 13

Judge: Honorable René Lastreto II

**EXHIBIT TO DECLARATION IN SUPPORT OF APPLICATION FOR ORDER
SHORTENING TIME AND PRESCRIBING NOTICE OF HEARING ON MOTION FOR
ENTRY OF AN ORDER (1) DIRECTING AND APPROVING FORM OF NOTICE OF
COMMENCEMENT; (2) SETTING DEADLINE FOR FILING OBJECTIONS TO
PETITION; and (3) FOR RELIEF UNDER CHAPTER 9**

Exhibit	Description	# of Pages
A	MOTION FOR ENTRY OF AN ORDER (1) DIRECTING AND APPROVING FORM OF NOTICE OF COMMENCEMENT; (2) SETTING DEADLINE FOR FILING OBJECTIONS TO PETITION; and (3) FOR RELIEF UNDER CHAPTER 9	4

Dated: 10/30, 2017

WALTER WILHELM LAW GROUP,
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By:


Riley C. Walter, Attorneys for Debtor,
Tulare Local Healthcare District

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26 In re

27 TULARE LOCAL HEALTHCARE
28 DISTRICT, dba TULARE
REGIONAL MEDICAL CENTER,

29 Debtor.

30 Tax ID #: 94-6002897
31 Address: 869 N. Cherry St.
32 Tulare, CA 93274

33 CASE NO. 17-13797

34 Chapter 9

35 DC No.: WW-5

36 Date: November 16, 2017
37 Time: 9:20 a.m.
38 Place: 2500 Tulare Street
39 Fresno, CA 93721
40 Courtroom 13
41 Judge: Honorable René Lastreto II

42 MOTION FOR ENTRY OF AN ORDER (1) DIRECTING AND APPROVING FORM OF
43 NOTICE OF COMMENCEMENT; (2) SETTING DEADLINE FOR FILING
44 OBJECTIONS TO PETITION; and (3) FOR RELIEF UNDER CHAPTER 9

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47 EXHIBIT A
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1 TO THE HONORABLE RENÉ LASTRETO II, UNITED STATES BANKRUPTCY
2 JUDGE:

3 Tulare Local Healthcare District, dba Tulare Regional Medical Center ("TRMC" or
4 the "Debtor" or the "District"), hereby moves for entry of an order: (1) approving the
5 proposed form of notice of commencement of this case pursuant to Section 923 (the
6 "Notice"); and (2) pursuant to Section 921, setting a deadline for the filing of any
7 objections to the Chapter 9 petition initiating this Chapter 9 case. A copy of the
8 proposed form of order (without attachment) is attached hereto as Exhibit A, and a copy
9 of the proposed Notice is attached hereto as Exhibit B. In support of this Motion, TRMC
10 respectfully represents as follows:

11 **I. BACKGROUND**

12 The background history to this Chapter 9 case is well known to the Court given
13 the papers filed in connection with the Debtor's Motion to Reject Executory Contract
14 (Healthcare Conglomerate Associates, LLC) (DC# WW-1) and the Statement of
15 Qualifications and Memorandum of Facts and Law in support thereof filed on October
16 26, 2017 (DC # WW-4).

17 Due to its financial problems and the governance dispute with Healthcare
18 Conglomerate Associates, LLC ("HCCA"), and to head off a threatened shut down of the
19 hospital by HCCA, on September 30, 2017, TRMC filed its Chapter 9 Petition in the
20 United States Bankruptcy Court for the Eastern District of California, Fresno Division.

21 **II. ARGUMENT**

22 **A. The Proposed Form of Notice is Adequate.**

23 Section 923 requires that notice be given of the commencement of a chapter 9
24 case and of the order for relief. The required notice also must be published at least once
25 a week for three successive weeks in (a) at least one newspaper of general circulation
26 published within this judicial district, and (b) a newspaper having a general circulation
27 among bond dealers and bondholders.

EXHIBIT A
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1 TRMC submits that the Notice (Exhibit B) satisfies the requirements of Section
2 923. The Notice includes notice of the automatic stay and the deadline for objections to
3 TRMC's eligibility to be a Chapter 9 debtor, and provides that, if no objection to the
4 petition is filed by a specified time and date, the Notice will constitute notice of the entry
5 of an order for relief. The Notice also enumerates the persons that must be served with
6 any objection.

7 The Notice contemplates publication in the *Visalia Times-Delta* and *The Bond*
8 *Buyer*. The *Visalia Times-Delta* is a newspaper of general circulation, and is published
9 within Tulare County in this judicial district. The *Visalia Times-Delta* is particularly
10 appropriate for providing notice of the case to constituents and stakeholders of TRMC
11 because it has long reported news regarding TRMC. TRMC further submits that *The*
12 *Bond Buyer* is a publication of general circulation among municipal bond dealers and
13 bondholders. TRMC respectfully submits that publication of the Notice in such
14 newspapers constitutes good and sufficient notice that is consistent with the
15 requirement of Section 923.

16 TRMC understands that the Clerk of the Court will mail the Notice to the United
17 States Trustee's Office and, using the mailing matrix filed with the list required by
18 Section 924, as amended, to the creditors listed thereon. TRMC intends to begin
19 publishing the Notice in the *Visalia Times-Delta* and *The Bond Buyer* shortly after the
20 Court's approval thereof, once per week for three consecutive weeks.

21 **B. It is Appropriate to Order that Objections to TRMC's Petition be Filed on or**
22 **Before December 22, 2017.**

23 Section 921(d) provides for the entry of an order for relief unless the petition is
24 dismissed under Section 921(c), which authorizes the dismissal of a petition if, after an
25 objection to the petition is filed, the court determines that the petition was not filed in
26 good faith, or that the petition does not meet the eligibility requirements. Although
27 Section 921(c) contemplates the possibility of objections to a chapter 9 petition, it does
28 not set a deadline for filing such objections.

EXHIBIT A
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1 On October 26, 2017, TRMC filed its "Statement of Qualifications under
2 Bankruptcy Code Section 109(c)." On October 26, 2017 it filed a memorandum of facts
3 and law and declarations in support of Section 109(c) eligibility. The declarations were
4 supported by numerous exhibits. It is prudent and practical to set a deadline by when
5 parties must submit objections contending that the petition was not filed in good faith or
6 does not meet the eligibility requirements. To expedite the entry of an order for relief in
7 this case and remove any uncertainty created by the absence of express timing
8 provisions in Section 921(d), TRMC requests that the deadline for filing objections be
9 established for December 22, 2017, a date that is about 14 days after the estimated
10 date of the publication of the third and final notice in the *Visalia Times-Delta* and in *The*
11 *Bond Buyer.*

II. CONCLUSION

13 WHEREFORE, TRMC requests that the Court enter an order, substantially in the
14 form attached hereto as Exhibit A (i) approving the form of notice filed concurrently as
15 Exhibit B; (ii) approving the manner of publication in the *Visalia Times-Delta* and *The*
16 *Bond Buyer* as set forth in the Notice; (iii) directing the Clerk of the Court to mail the
17 Notice to all creditors listed on TRMC's List of Creditors filed pursuant to Section 924
18 and in accordance with Bankruptcy Rule 1007(e); (iv) establishing December 22, 2017,
19 as the deadline for the filing of objections to TRMC's Chapter 9 Petition; and (v) granting
20 such other and further relief as the Court deems appropriate.

22 | Dated: . 2017

**WALTER WILHELM LAW GROUP,
a Professional Corporation**

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Riley C. Walter, Attorneys for Debtor,
Tulare Local Healthcare District

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